

**CONTRACT #13
RFS # 318.66-029**

**Department of Finance &
Administration**

Bureau of TennCare

**VENDOR:
John Deere (formerly
Heritage National Health
Plan of TN)**



STATE OF TENNESSEE
BUREAU OF TENNCARE
310 Great Circle Road
NASHVILLE, TENNESSEE 37243

RECEIVED
DEC 01 2006
FISCAL REVIEW

November 29, 2006

Mr. Jim White, Director
Fiscal Review Committee
8th Floor, Rachel Jackson Bldg.
Nashville, TN 37243

Attention: Leni Chick

RE: Bureau of TennCare Contracts Submitted for Fiscal Review

Dear Mr. White:

The Department of Finance and Administration, Bureau of TennCare, is submitting for consideration by the Fiscal Review Committee amendment #6 to the Electronic Data Systems Corporation and EDS Information Service, L.L.C., RFS 318.65-080. This competitively bid contract provides Development, Implementation and Replacement of the TennCare Management Information System (TCMIS). This amendment comprises two major components of service, the extension of the current contract Facility Management of the TCMIS and additional services outside the scope of the original contract. The extension of current Facility Management services comprises 40% of the total amendment expenditures. These services include all of the daily operational components required to provide Medicare/Medicaid and Fee for service health care to the 1.1 million Tennessee residents enrolled in TennCare. In order to maintain these services to TennCare enrollees during the development, procurement and implementation of the required replacement contract for our current facility manager (EDS), we requested the extension of the current contract services in order to prepare for this transition. The remaining 60% of the expenditures include two categories of additional components to the Facility Management contract. The first addresses the federally mandated requirement that all health care providers within the United States possess a unique National Provider Identification (NPI) number. The Code of Federal Regulations requires the implementation of NPI by May 27, 2007. This requires TennCare to modify all systems in order to identify all providers using the NPI. This modification to our systems is funded by 90% Federal Funds Participation. The second component of additional services identifies areas outside the scope of services specifically listed in the original contract. These ancillary components of the amendment indirectly address areas TennCare is responsible for adhering to judicial decrees, as well as improved operational efficiencies.

Additionally, TennCare is submitting for review amendment #1 to QSource Center for Healthcare Quality, RFS 318.65-205, the competitively bid contractor providing External Quality Review of TennCare Managed Care Organizations, Behavioral Health Organization and the Dental Benefits Manager. This amendment provides an additional component of comprehensive quality assurance and quality improvement including elderly and disabled Home and Community Based (HCBS) programs in Tennessee. The elderly and disabled waiver programs include the Statewide HCBS Waiver for the Elderly and Disabled as well as the Program of All-Inclusive Care for the Elderly (PACE) Program. TennCare's Long Term Care Program is mandated by the Centers of Medicaid and Medicare Services (CMS) to provide quality assurance and quality improvement programs. We feel it is in the best interest of the State to rely on an already established contractor to perform these critical oversight functions until a competitively awarded contractor can be identified solely for the elderly and disabled. Funding to support this one year amendment is \$179,820.00.

The following Managed Care Organizations (MCOs) are being amended to provide extension of term as well as funding to support this extension. Additionally, the amendment provides the following modifications to current MCO language: (1) Fraud and Abuse language clarification, incorporating CMS requirements as they relate to enrollee hospice care; (2) In response to request from Fiscal Review, incorporates revisions to requirements of current Conflict of Interest language; (3) clarification of Systems Requests including Disaster Recovery Plan; (4) Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," includes language prohibiting the MCO or any provider from smoking tobacco products within any indoor premises in which services are provided pursuant to individuals under the age of eighteen (18) years; (5) Prohibition of Illegal Immigrants, per the requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of services to the state of Tennessee and (6) revised reimbursement requirements for non-participating emergency providers in accordance with the Deficit Reduction Act.

Volunteer State Health Plan, Inc. (TennCare Select)	RFS 318.66-026	FA-02-14632-16
Volunteer State Health Plan, Inc.	RFS 318.66-028	FA-02-14859-19
Memphis Managed Care Corp (TLC)	RFS 318.66-030	FA-02-14861-02
Unison Health Plan of TN, Inc.	RFS 318.66-017	FA-02-14858-12
Preferred Health Plan	RFS 318.66-032	FA-02-14863-11
John Deere	RFS 318.66-029	FA-02-14860-11
Windsor Health Plan of TN, Inc. (term extension for 3 mos. only)	RFS 318.66-033	FA-02-14864-11
UAHC Health Plan of TN, Inc. (term extension for 6 mos. only)	RFS 318.66-027	FA-02-14862-12

The following two new competitively awarded Middle Tennessee MCOs are being amended to include the following modifications: (1) Require submission of Fraud and Abuse Compliance Plan for review and approval; (2) Clarification of reimbursement requirements of Hospice benefit package; (3) additional reporting requirements to support utilization activities; (4) clean up language of Deficit Reduction Act (payment requirements for out-of-plan emergency services) to refer to rules for payment terms in accordance with DRA; (5) Clarification of TPL/Subrogation reporting; addition of PCP, MRI, CT, and PET reporting; (6) Strengthen/Broaden language to require notice of any legal action against MCC or parent company; (7) Clarify that State does not have liability for costs beyond administrative fee, including liquidated damages, penalties, etc. (8) added State's language as required by new legislation that prohibits illegal immigrants from performing services of state contracts, and (9) revisions made for consistency throughout the agreement.

United HealthCare Plan of the River Valley, Inc.	RFS 318.66-051	FA-07-16937-01
AMERIGROUP Tennessee, Inc.	RFS 318.66-052	FA-07-16936-01

In addition to the amendments listed above, TennCare is also submitting for review the following Behavioral Health Organization (BHO) amendments that provides the following modifications to BHO language: (1) New reporting requirements for Institutions for Mental Disease (IMD); (2) Additional language reinforcing requirements for EPSDT outreach and responsibility of the BHOs for services delegated to their providers; (3) Add requirement of Fraud and Abuse Compliance Plan for review and approval; (4) Clean up Deficit Reduction Act language to refer to rules for payment terms in accordance with DRA; (5) Revise Conflict of Interest language to be consistent with Middle TN RFP Pro Forma in accordance with agreed upon language with Fiscal Review; (6) Clarification of TPL reporting and IS/Disaster recovery reporting; (7) strengthen language to require notice of any legal action against MCC or parent company; (8) added language mandated by new legislation prohibiting use of illegal immigrants for performance of state contracts; (9) clarify that state has no liability for costs beyond administrative fee,

Mr. Jim White

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including liquidated damages, penalties, etc.; (10) general housekeeping revisions made for consistency throughout the agreement.

Premier Behavioral Health Systems Of Tennessee, LLC	RFS 318.66-022	FA-01-14662-17
Tennessee Behavioral Health, Inc.	RFS 318.66-023	FA-01-14661-16
Tennessee Behavioral Health, Inc. (East Tennessee Region)	RFS 318.66-050	FA-05-16089-07

The Bureau of TennCare would greatly appreciate the consideration and approval of these amendments by the Fiscal Review Committee.

Sincerely,



Scott Pierce
Chief Financial Officer

Cc: Darin J. Gordon, Deputy Commissioner
Alma Chilton

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration

Date:

Each of the request items below indicates specific information that must be individually detailed or addressed as required. A REQUEST CAN NOT BE CONSIDERED IF INFORMATION PROVIDED IS INCOMPLETE, NON-RESPONSIVE, OR DOES NOT CLEARLY ADDRESS EACH OF THE REQUIREMENTS INDIVIDUALLY AS REQUIRED.

RFS #

318.66-029

STATE AGENCY NAME :

Department of Finance and Administration, Bureau of TennCare

SERVICE CAPTION :

Managed Care Organization Services/Medically Necessary Health Care Services to the TennCare/Medicaid Population

CONTRACT #

FA-02-14860-00

PROPOSED AMENDMENT #

11

CONTRACTOR :

John Deere (formerly Heritage National Health Plan of TN)

CONTRACT START DATE :

July 1, 2001

RECEIVED

CURRENT, LATEST POSSIBLE END DATE :
(including ALL options to extend)

12/31/2006

DEC 01 2006

FISCAL REVIEW

CURRENT MAXIMUM LIABILITY :

\$844,214,611.57

LATEST POSSIBLE END DATE WITH PROPOSED AMENDMENT :
(including ALL options to extend)

12/31/2007

TOTAL MAXIMUM COST WITH PROPOSED AMENDMENT :
(including ALL options to extend)

\$944,228,015.57

APPROVAL CRITERIA :
(select one)



use of Non-Competitive Negotiation is in the best interest of the state



only one uniquely qualified service provider able to provide the service

ADDITIONAL REQUIRED REQUEST DETAILS BELOW (address each item immediately following the requirement text)

(1) description of the proposed additional service and amendment effects :

This amendment provides the following modifications to current MCO language: (1) Fraud and Abuse language clarification, incorporating CMS requirements as they relate to enrollee hospice care; (2) In response to request from Fiscal Review, incorporates revisions to requirements of current Conflict of Interest language; (3) Extends term date for an additional year, and provides funding to support term extension; (4) clarification of Systems Requests including Disaster Recovery Plan; (5) Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," includes language prohibiting the MCO or any provider from smoking tobacco products within any indoor premises in which services are provided pursuant to individuals under the age of eighteen (18) years; (6) Prohibition of Illegal Immigrants, per the requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of services to the state of Tennessee and (7) revised reimbursement requirements for non-participating emergency providers in accordance with the Deficit Reduction Act.

(2) explanation of need for the proposed amendment :

This amendment is needed to make above modifications as well as provide funding for additional one year extension.

(3) name and address of the proposed contractor's principal owner(s) :
(not required if proposed contractor is a state education institution)

408 North Cedar Bluff Road, Suite 400, Knoxville, TN 37923

(4) documentation of OIR endorsement of the Non-Competitive procurement request :
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(5) documentation of Department of Personnel endorsement of the Non-Competitive procurement request :
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(6) description of procuring agency efforts to identify reasonable, competitive, procurement alternatives rather than to use non-competitive negotiation :

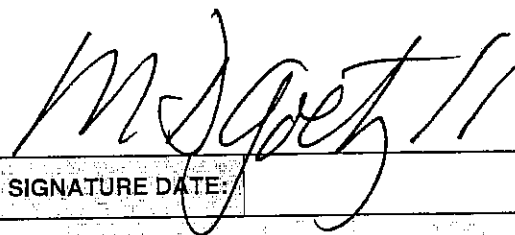
This Contractor is currently providing a network of services for the TennCare Program. This is an amendment to current contract.

(7) justification of why the F&A Commissioner should approve a Non-Competitive Amendment :

The Bureau of TennCare is currently modifying all of the MCO contracts to provide specific language changes for clarity and compliance with Fiscal Review as well as CMS. These MCO contracts provide necessary Health Care Services to the TennCare/Medicaid Population and TennCare would greatly appreciate approval of this amendment by the Commissioner of F&A.

AGENCY HEAD REQUEST SIGNATURE:

(must be signed by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR—signature by an authorized signatory will be accepted only in documented exigent circumstances)



SIGNATURE DATE:

CONTRACT SUMMARY SHEET

RFS Number:	318.66-029	Contract Number:	FA-02-14860-11
State Agency:	Department of Finance and Administration	Division:	Bureau of TennCare
Contractor		Contract Identification Number	
JOHN DEERE (formerly Heritage National Health Plan of TN)		<input type="checkbox"/> V- <input type="checkbox"/> C-	

Service Description

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	Contract End Date
7/1/2001	12/31/2007

Allotment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	4A4	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$ 127,022,919.00	
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00	
2004	\$ 49,908,299.02	\$ 90,540,889.55			\$ 140,449,188.57	
2005	\$ 62,904,600.00	\$ 106,935,100.00			\$ 169,839,700.00	
2006	\$ 62,904,600.00	\$ 106,935,100.00			\$ 169,839,700.00	
2007	\$ 70,589,461.00	\$ 129,437,347.00			\$ 200,026,808.00	
Total:	\$ 342,834,260.02	\$ 601,393,755.55			\$ 944,228,015.57	

CFDA#	93.778 Title XIX Dept. of Health and Human Services
State Fiscal Contract	
Name: Scott Pierce Address: 310 Great Circle Road Phone: Nashville, TN (615)507-6415	Check the box ONLY if the answer is YES: Is the Contractor a SUBRECIPIENT? (per OMB A-133) <input type="checkbox"/> Is the Contractor a Vendor? (per OMB A-133) <input type="checkbox"/> Is the Fiscal Year Funding STRICTLY LIMITED? <input type="checkbox"/> Is the Contractor on STARS? <input type="checkbox"/> Is the Contractor's FORM W-9 ATTACHED? <input type="checkbox"/> Is the Contractor's Form W-9 Filed with Accounts? <input type="checkbox"/>
Procuring Agency Budget Officer Approval Signature	
Scott Pierce 	

COMPLETE FOR ALL AMENDMENTS (only)

	Base Contract & Prior Amendments	This Amendment ONLY
END DATE:	12/31/2006	12/31/2007
FY: 02	\$127,022,919.00	
FY: 03	\$137,049,700.00	
FY: 04	\$140,449,188.57	
FY: 05	\$169,839,700.00	
FY: 06	\$169,839,700.00	
FY: 07	\$100,013,404.00	\$100,013,404.00
Total:	\$844,214,611.57	\$100,013,404.00

Funding Certification

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

(General)AMENDMENT NUMBER

**AMENDED AND RESTATED CONTRACTOR RISK AGREEMENT
BETWEEN**

**THE STATE OF TENNESSEE,
d.b.a. TENNCARE
AND
CONTRACTOR NAME,
d.b.a.**

RECEIVED

DEC 01 2006

FISCAL REVIEW

CONTRACT NUMBER: FA-

For and in consideration of the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to clarify and/or amend the Amended and Restated Contractor Risk Agreement (CRA) by and between the State of Tennessee TennCare Bureau, hereinafter referred to as TENNCARE, and Contractor Name, hereinafter referred to as the CONTRACTOR as specified below.

Titles and numbering of paragraphs used herein are for the purpose of facilitating use of reference only and shall not be construed to infer a contractual construction of language.

1. Section 1-5.b.1 shall be amended by adding new text to the end of the existing text so that the amended Section 1-5.b.1 shall read as follows:

1-5. b. Fraud and Abuse Compliance Plan

- 1-5.b.1. The CONTRACTOR shall have a written Fraud and Abuse compliance plan. A paper and electronic copy of the plan shall be provided to TENNCARE. The CONTRACTOR's specific internal controls and policies and procedures shall be described in a comprehensive written plan and be maintained on file with the CONTRACTOR and submitted for review to TENNCARE within thirty (30) calendar days of the effective date of this Agreement and annually thereafter. TENNCARE shall provide notice of approval, denial, or modification to the CONTRACTOR within thirty (30) calendar days of receipt. The CONTRACTOR shall make any requested updates or modifications available for review to TENNCARE as requested by TENNCARE and/or the TennCare Program Integrity Unit within thirty (30) calendar days of a request. The State shall not transfer their law enforcement functions to the CONTRACTOR.

2. The Hospice Benefit, Sitter Benefit, and Convalescent Care Benefit descriptions in Section 2-3.a.1(b) shall be deleted and replaced and shall read as follows:

Hospice Care	As medically necessary. Must be provided by a Medicare-certified hospice. Provided and reimbursed in accordance with state and federal requirements, including but not limited to the following: <ul style="list-style-type: none">• Rates shall be no less than the federally established Medicaid hospice rates (updated each FFY), adjusted by area wage adjustments for the categories described by CMS;• The rates described above shall be subject to the annual cap for Medicaid Hospice rates as provided annually by CMS; and• If a Medicaid hospice patient resides in a nursing facility (NF), the CONTRACTOR must pay an amount equal to at least 95
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	percent of the prevailing NF room and board rate to the hospice provider (not subject to the annual cap for Medicaid Hospice rates.
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Sitter	Medicaid/Standard Eligible, Age 21 and older: NON COVERED Medicaid/Standard Eligible, Under age 21: Covered as medically necessary. Effective February 1, 2007, Non-Covered, unless the CONTRACTOR is otherwise notified by TENNCARE.
Convalescent Care	Medicaid/Standard Eligible, Age 21 and older: NON COVERED Medicaid/Standard Eligible, Under age 21: Covered as medically necessary. Effective February 1, 2007, Non-Covered, unless the CONTRACTOR is otherwise notified by TENNCARE.

3. Section 2-3.a.2 shall be deleted and replaced in its entirety and shall read as follows:

2-3.a.2(a) The service thresholds and the CONTRACTOR's responsibility once a non-institutionalized adult has met the threshold are as follows:

Service	Threshold for Non-Institutionalized Medicaid Eligibles, Age 21 and Older	CONTRACTOR Responsibility Once Member Has Reached Threshold
Inpatient Hospital Services	20 days per SFY	Enroll member in MCO case management or disease management program, whichever is more appropriate

4. Section 2-3.k.1 shall be amended by deleting and replacing the fourth sentence so that the amended Section 2-3.k.1 shall read as follows:

2-3.k.1. Emergency Medical Services obtained from Out of Plan Providers

The CONTRACTOR's plan shall include provisions governing utilization of and payment by the CONTRACTOR for emergency medical services received by an enrollee from non-contract providers, regardless of whether such emergency services are rendered within or outside the community service area covered by the plan. Coverage of emergency medical services shall not be subject to prior authorization by the CONTRACTOR and shall be consistent with federal requirements regarding post-stabilization services, including but not limited to, 42 CFR Section 438.114(c)(1)(ii)(A). Utilization of and payments to non-contract providers may, at the CONTRACTOR's option, be limited to the treatment of emergency medical conditions, including

post-stabilization care that includes medically necessary services rendered to the enrollee until such time as he/she can be safely transported to an appropriate contract service location. Payment amounts shall be in accordance with TENNCARE rules and regulations for emergency out-of-plan services. Payment by the CONTRACTOR for properly documented claims for emergency medical services rendered by a non-contract provider shall be made within thirty (30) calendar days of receipt of a clean claim by the CONTRACTOR.

The CONTRACTOR must review and approve or disapprove claims for emergency medical services based on the definition of emergency medical services specified in Section 1-3 of this Agreement. If the CONTRACTOR determines that a claim requesting payment of emergency medical services does not meet the definition as specified in Section 1-3 and subsequently denies the claim, the CONTRACTOR shall notify the provider of the denial. This notification shall include information to the provider regarding the CONTRACTOR's process and timeframes for reconsideration. In the event a provider disagrees with the CONTRACTOR's decision to disapprove a claim for emergency medical services, the provider may pursue the independent review process for disputed claims as provided by T.C.A., Section 56-32-226, including but not limited to MCO reconsideration.

5. Section 2-3.s.2(b) shall be amended by deleting item (2) and renumbering the remaining items.

(b) The CONTRACTOR shall provide MCO case management to members who are at high risk or have unique, chronic, or complex needs. This shall include but not be limited to:

- (1) Members who have reached the service threshold for inpatient hospital services;
- (2) Members with co-occurring mental illness and substance abuse, and/or co-morbid physical health and behavioral health conditions;
- (3) Members who meet the requirements at 2-3.s.5(a) regarding excessive and/or inappropriate Emergency Department Utilization; and
- (4) Children with special health care needs unless already enrolled in an appropriate disease management program.

6. Section 2-3.s.6(b) shall be amended by deleting item (2) and renumbering the remaining items.

(b) **Member Identification Strategies**

The MCO must have a systematic method of identifying and enrolling eligible members in each DM program. This shall include but not be limited to:

- (1) Members who have reached the service threshold for inpatient hospital services (see Section 2-3.a.2).
- (2) Members who meet the requirements at 2-3.s.5(f)(3) regarding excessive and/or inappropriate Emergency Department Utilization who could potentially benefit from enrollment in a disease management program.
- (3) Members who have reached the service threshold for inpatient hospital services shall be enrolled in either a disease management program or MCO case management, whichever the CONTRACTOR determines is more appropriate.

7. Section 2-9.k.7 shall be deleted and replaced in its entirety.

2-9.k.7. Subrogation (Casualty) Recovery

The CONTRACTOR shall conduct diagnosis and trauma code editing to identify potential subrogation related claims. This editing should, at a minimum, identify claims with a diagnosis

of 800.00 thru 999.99 (excluding 994.6) or a claim submitted with an accident trauma indicator of 'Y'. TENNCARE approved questionnaires or other type TENNCARE approved forms shall be used to gather data and information pertinent to potential subrogation cases. TENNCARE shall determine a threshold amount for which a subrogation case should be pursued. Subrogation cases must be approved in writing by TENNCARE prior to the CONTRACTOR presenting offers or executing settlements.

8. Section 2-9 shall be amended by adding a new Section 2-9.o which shall read as follows:

2-9.o Business Continuity and Disaster Recovery (BC-DR) Plan

- (a) Regardless of the architecture of its Systems, the CONTRACTOR shall develop and be continually ready to invoke a BC-DR plan that is reviewed and prior approved by TENNCARE.
- (b) At a minimum the CONTRACTOR's BC-DR plan shall address the following scenarios: (a) the central computer installation and resident software are destroyed or damaged, (b) System interruption or failure resulting from network, operating hardware, software, or operational errors that compromises the integrity of transactions that are active in a live system at the time of the outage, (c) System interruption or failure resulting from network, operating hardware, software or operational errors that compromises the integrity of data maintained in a live or archival system, and (d) System interruption or failure resulting from network, operating hardware, software or operational errors that does not compromise the integrity of transactions or data maintained in a live or archival system but does prevent access to the System, i.e., causes unscheduled System unavailability.
- (c) The CONTRACTOR's BC-DR plan shall specify projected recovery times and data loss for mission-critical Systems in the event of a declared disaster.
- (d) The CONTRACTOR shall periodically, but no less than annually, test its BC-DR plan through simulated disasters and lower level failures in order to demonstrate to TENNCARE that it can restore System functions.
- (e) The CONTRACTOR shall submit a baseline BC-DR plan to TENNCARE and communicate proposed modifications as required in Section 2.10.1.

9. Section 2-10.e. shall be amended by deleting and replacing Section 2-10.e.2 in its entirety and adding a new 2-10.e.4.

2-10.e.2. TPL Reporting

- (a) Cost Avoidance Value Reporting. The CONTRACTOR shall report all claim adjustment amounts due to TPL coverage or Medicare coverage on a frequency and in a format and media described by TENNCARE. The CONTRACTOR shall calculate cost savings in categories described by TENNCARE.

2-10.e.4 Payment for Out-of-Plan Emergency Providers

The CONTRACTOR shall report to TENNCARE the average payment rate paid to out-of-plan emergency providers by January 31 each calendar year.

10. Section 2-10.1 shall be deleted and replaced in its entirety so that the new Section 2-10.1 shall read as follows:

2-10.1. **Business Continuity and Disaster Recovery Reports**

The CONTRACTOR shall submit a baseline *Business Continuity and Disaster Recovery (BC-DR)* plan for review and approval as specified by TENNCARE. The CONTRACTOR shall communicate proposed modifications to the BC-DR plan at least fifteen (15) calendar days prior to their proposed incorporation. Such modifications shall be subject to review and approval by TENNCARE.

11. Section 2-10.p shall be amended by adding a new 2-10.p.1 and renumbering the existing items accordingly so that the new 2-10.p.1 shall read as follows:

2-10.p.1 **PCP Visits**

The CONTRACTOR shall submit a quarterly *PCP Visits Per Member Per Year Report* in the format prescribed by TENNCARE. The number of PCP visits per member during the reporting quarter shall be projected to reflect a twelve (12) month period.

12. Section 2-10.t shall be deleted in its entirety.

13. Section 2 shall be amended by adding a new Section 2-25 which shall read as follows:

2-25. **Notice of Legal Action**

The CONTRACTOR shall give TENNCARE and the Tennessee Department of Commerce and Insurance, TennCare Division, immediate notification in writing by Certified Mail of any administrative or legal action or complaint filed regarding any claim in law or equity made against the CONTRACTOR or an affiliate of the CONTRACTOR, including but not limited to a parent company; by a provider, enrollee, subcontractor or any other party, including but not limited to notice of any arbitration proceedings instituted between a provider and the CONTRACTOR.

14. Section 2 shall be amended by adding a new Section 2-26 which shall read as follows:

- 2-26. **Prohibition of Illegal Immigrants.** The requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

- a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document as Attachment II, hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the contractor and made available to state officials upon request.
- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative

to this Contract. Attestations obtained from such subcontractors shall be maintained by the contractor and made available to state officials upon request.

- c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
- d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this contract.
- e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.

15. Section 3-10.i shall be amended by adding a new Section 3-10.i.12 which shall read as follows:

3-10.i.12. The administrative fee payments specified in Section 3-10.i and Attachment X of this Agreement, as amended, shall represent payment in full. TennCare shall not reimburse CONTRACTOR for any costs, liquidated damages and/or penalties incurred by the CONTRACTOR and which result from actions or inactions, including penalties associated with CONTRACTOR's failure to timely pay any and all expenses, fees, taxes and other regulatory/ministerial costs associated with the requirements of operating as an HMO in this state. The taxes, fees, expenses, and other regulatory/ministerial costs referenced herein shall include but not be limited to premium taxes associated with any and all obligations required by the Tennessee Health Maintenance Organization Act of 1986 codified at Tennessee Code Annotated § 56-32-201 et seq. or any subsequent amendments thereto and/or the Tennessee Prepaid Limited Health Services Act of 2000 codified at Tennessee Code Annotated § 56-51-101 et seq. or any subsequent amendments thereto.

16. Section 4-1 shall be amended by adding a new Section 4-1.ee which shall read as follows:

4-1.ee. Federal Pro-Children Act of 1994 and the Tennessee Children's Act for Clean Indoor Air of 1995.

17. Section 4-7 shall be deleted and replaced in its entirety so that the amended Section 4-7 shall read as follows:

4-7. CONFLICT OF INTEREST

- 4-7.a. The CONTRACTOR warrants that no part of the total Agreement amount provided herein shall be paid directly, indirectly or through a parent organization, subsidiary or an affiliate organization to any state or federal officer or employee of the State of Tennessee or any immediate family member of a state or federal officer or employee of the State of Tennessee as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to the CONTRACTOR in connection with any work contemplated or performed relative to this Agreement unless disclosed to the Commissioner, Tennessee Department of

Finance and Administration. For purposes of Section 4.19 and its subparts of this contract, "immediate family member" shall mean a spouse or minor child(ren) living in the household.

4.7.a.1 Quarterly, by January 30, April 30, July 30, and October 30 each year, or at other times or intervals as designated by the Deputy Commissioner of the Bureau of TennCare, disclosure shall be made by the CONTRACTOR to the Deputy Commissioner of the Bureau of TennCare, Department of Finance and Administration in writing. The disclosure shall include, but not be limited to, the following:

4.7.a.1.(a) A list of any state or federal officer or employee of the State of Tennessee as well as any immediate family member of a state or federal officer or employee of the State of Tennessee who receives wages or compensation from the CONTRACTOR; and

4.7.a.1.(b) A statement of the reason or purpose for the wages or compensation. The disclosures shall be made by the CONTRACTOR and reviewed by TENNCARE in accordance with Standard Operating Procedures and the disclosures shall be distributed to, amongst other persons, entities and organizations, the Commissioner, Tennessee Department of Finance and Administration, the Tennessee Ethics Commission, the TennCare Oversight Committee and the Fiscal Review Committee.

4.7.a.2 This Agreement may be terminated by TENNCARE and/or the CONTRACTOR may be subject to sanctions, including liquidated damages, under this Agreement if it is determined that the CONTRACTOR, its agents or employees offered or gave gratuities of any kind to any state or federal officials or employees of the State of Tennessee or any immediate family member of a state or federal officer or employee of the State of Tennessee if the offering or giving of said gratuity is in contravention or violation of state or federal law. It is understood by and between the parties that the failure to disclose information as required under Section 4.19 of this Agreement may result in termination of this Agreement and the CONTRACTOR may be subject to sanctions, including liquidated damages in accordance with Section 4.20 of this Agreement. The CONTRACTOR certifies that no member of or delegate of Congress, the United States General Accounting Office, DHHS, CMS, or any other federal agency has or will benefit financially or materially from this Agreement.

4.7.b The CONTRACTOR shall include language in all subcontracts and provider agreements and any and all agreements that result from this Agreement between CONTRACTOR and TENNCARE to ensure that it is maintaining adequate internal controls to detect and prevent conflicts of interest from occurring at all levels of the organization. Said language may make applicable the provisions of Section 4.19 to all subcontracts, provider agreements and all agreements that result from the Agreement between the CONTRACTOR and TENNCARE.

18. Section 4-8.b.1 shall be amended by adding a due date for Semi-Annual Reports which shall read as follows:

Semi-Annual Reports

January 31 and July 31.

19. [VHP term will be 3-31-07 and UAHC will be 7-1-07 – all others 12-31-07]

4-28. Term of the Agreement

This Agreement and its incorporated attachments, if any, as well as all Amendments to this Agreement, contain all of the terms and conditions agreed upon by the parties, and when executed by all parties, supersedes any prior agreements except as stated in Section 1-7. Unless a provision contained in this Amendment specifically indicates a different effective date, for purposes of the provisions contained herein, this Amendment shall be in effect from July 1, 2001, subject to approval by the U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services. The term of this Agreement shall expire on December 31, 2007. Notwithstanding any provision herein to the contrary, this Agreement shall automatically renew for calendar year 2008 with an expiration date of December 31, 2008 unless the CONTRACTOR or the State complies with Section 4-2.(f) regarding non-renewal or unless the State approves termination of the Agreement in accordance herewith. Said renewal shall be automatic and shall not require any notice or other action.

Notwithstanding any provision herein to the contrary, the State may terminate this Agreement if the waiver governing TennCare is terminated. The documents referenced in the Agreement are on file with the CONTRACTOR and with TENNCARE and the CONTRACTOR is aware of their content. No other agreement, oral or otherwise regarding the subject matter of this Agreement, shall be deemed to exist or to bind any of the parties hereto.

20. Attachment II shall be deleted and replaced in its entirety and shall read as follows:

ATTACHMENT II

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

**SIGNATURE &
DATE:**

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

21. Attachment XII, Exhibit L.3 shall be amended by adding MRI, CT Scan and PET Scan's per 1000.

Paid Through XX/XX/XXXX

Total Visits per 1,000

All of the provisions of the original Agreement not specifically deleted or modified herein shall remain in full force and effect. Unless a provision contained in this Amendment specifically indicates a different effective date, for purposes of the provisions contained herein, this Amendment shall become effective January 1, 2007 or as of the date it is approved by the U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives set their signatures.

**STATE OF TENNESSEE
DEPARTMENT OF FINANCE
AND ADMINISTRATION**

MCO NAME

BY: _____
M. D. Goetz, Jr.
Commissioner

BY: _____
Name
Title

DATE: _____

DATE: _____

APPROVED BY:

APPROVED BY:

**STATE OF TENNESSEE
DEPARTMENT OF FINANCE
AND ADMINISTRATION**

**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY**


BY: _____
M. D. Goetz, Jr.
Commissioner

BY: _____
John G. Morgan
Comptroller

DATE: _____

DATE: _____

CONTRACT SUMMARY SHEET

RFS Number:	318.66-029	Contract Number:	FA-02-14860-10
State Agency:	Department of Finance and Administration	Division:	Bureau of TennCare
Contractor		Contract Identification Number	
JOHN DEERE (formerly Heritage National Health Plan of TN)		<input type="checkbox"/> V- <input type="checkbox"/> C-	
Service Description			
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population			
Contract Begin Date		Contract End Date	
7/1/2001		12/31/2006	
Allotment Code	Cost Center	Object Code	Fund
318.66	4A4	134	11
			<input type="checkbox"/> STARS
FY	State Funds	Federal Funds	Interdepartmental Funds
2002	\$ 46,137,900.00	\$ 80,885,019.00	
2003	\$ 50,389,400.00	\$ 86,660,300.00	
2004	\$ 49,908,299.02	\$ 90,540,889.55	
2005	\$ 62,904,600.00	\$ 106,935,100.00	
2006	\$ 62,904,600.00	\$ 106,935,100.00	
2007	\$35,294,730.00	\$ 64,718,674.00	
Total:	\$ 307,539,529.02	\$ 536,675,082.55	
CFDA#	93.778 Title XIX Dept. of Health and Human Services		Check the box ONLY if the answer is YES:
State Fiscal Contract			Is the Contractor a SUBRECIPIENT? (per OMB A-133)
Name:	Scott Pierce		Is the Contractor a Vendor? (per OMB A-133)
Address:	310 Great Circle Road		Is the Fiscal Year Funding STRICTLY LIMITED?
Phone:	Nashville, TN (615)507-6415		Is the Contractor on STARS?
Procuring Agency Budget Officer Approval Signature			Is the Contractor's FORM W-9 ATTACHED?
Scott Pierce 			Is the Contractor's Form W-9 Filed with Accounts?
COMPLETE FOR ALL AMENDMENTS (only)			Funding Certification
	Base Contract & Prior Amendments	This Amendment ONLY	Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.
END DATE:	12/31/2006		
FY: 02	\$127,022,919.00		
FY: 03	\$137,049,700.00		
FY: 04	\$140,449,188.57		
FY: 05	\$169,839,700.00		
FY: 06	\$169,839,700.00		
FY: 07	\$84,919,850.00	\$15,093,554.00	
Total:	\$829,121,057.57	\$15,093,554.00	

CONTRACT SUMMARY SHEET

RPS Number:	318.66-029	Contract Number:	FA-02-14860-09
State Agency:	Department of Finance and Administration	Division:	Bureau of TennCare
Contractor:		Contract Identification Number:	
JOHN DEERE (formerly Heritage National Health Plan of TN)		<input type="checkbox"/> V- <input type="checkbox"/> C-	

Service Description:
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date:	Contract End Date:
7/1/2001	12/31/2006

Amendment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	414	134	11	<input type="checkbox"/> STARS		
			Interdepartmental Funds	<input type="checkbox"/> Other Funding		
FY	State Funds	Federal Funds				Total Contract Amount (including ALL amendments)
2002	\$ 46,137,900.00	\$ 80,885,019.00				\$ 127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00				\$ 137,049,700.00
2004	\$ 49,908,299.02	\$ 90,540,889.55				\$ 140,449,188.57
2005	\$ 62,904,600.00	\$ 106,935,100.00				\$ 169,839,700.00
2006	\$ 62,904,600.00	\$ 106,935,100.00				\$ 169,839,700.00
2007	\$ 29,970,350.00	\$ 54,949,500.00				\$ 84,919,850.00
Total	\$ 302,215,149.02	\$ 526,905,908.55				\$ 829,121,057.57

CHDA# 93.778 Title XIX Dept. of Health and Human Services

State Fiscal Contract		Check the box ONLY if the answer is YES	
Name:	Scott Pierce	Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Address:	310 Great Circle Road	Is the Contractor a Vendor? (per OMB A-133)	
Phone:	Nashville, TN (615)507-6415	Is the Fiscal Year Funding STRICTLY LIMITED?	

Procuring Agency Budget Officer Approval Signature	Is the Contractor on STARS?
Scott Pierce	Is the Contractor's FORM W-9 ATTACHED?
	Is the Contractor's Form W-9 Filed with Accounts?

COMPLETE FOR ALL AMENDMENTS (only)			Funding Certification
END DATE	Base Contract & Prior Amendments	This Amendment ONLY	Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.
	12/31/2006		
FY: 02	\$127,022,919.00		
FY: 03	\$137,049,700.00		
FY: 04	\$140,449,188.57		
FY: 05	\$169,839,700.00		
FY: 06	\$169,839,700.00		
FY: 07	\$84,919,850.00		
Total	\$829,121,057.57	\$0.00	

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CONTRACT SUMMARY SHEET

RES Number:	318.66-029	Contract Number:	FA-02-14860-08
State/Agency:	Department of Finance and Administration	Division:	Bureau of TennCare

Contractor:	Contract Identification Number:
JOHN DEERE (formerly Heritage National Health Plan of TN)	<input type="checkbox"/> V- <input type="checkbox"/> C-

Service Description:
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date:	Contract End Date:
7/1/2001	12/31/2006

Allocation Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	414	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$	127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$	137,049,700.00
2004	\$ 49,908,299.02	\$ 90,540,889.55			\$	140,449,188.57
2005	\$ 62,904,600.00	\$ 106,935,100.00			\$	169,839,700.00
2006	\$ 62,904,600.00	\$ 106,935,100.00			\$	169,839,700.00
2007	\$ 29,970,350.00	\$ 54,949,500.00			\$	84,919,850.00
Total	\$ 302,215,149.02	\$ 526,905,908.55			\$	829,121,057.57

CRDA#	93.778 Title XIX Dept. of Health and Human Services	Check the box ONLY if answer is YES
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State/Fiscal Contract	Is the Contractor a SUBRECIPIENT? (per OMB A-133)
Name: Scott Pierce	Is the Contractor a Vendor? (per OMB A-133)
Address: 310 Great Circle Road	Is the Fiscal Year Funding STRICTLY LIMITED?
Phone: Nashville, TN	Is the Contractor on STARS?
(615)507-6415	Is the Contractor's FORM W-9 ATTACHED?
	Is the Contractor's Form W-9 Filled with Accounts?

Procuring Agency Budget Officer Approval Signature:	
Scott Pierce	

COMPLETE FOR ALL AMENDMENTS (only)			Funding Certification
Base Contract & Prior Amendments	This Amendment ONLY		Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.
END DATE	12/31/2006		
FY: 02	\$127,022,919.00		
FY: 03	\$137,049,700.00		
FY: 04	\$140,449,188.57		
FY: 05	\$169,839,700.00		
FY: 06	\$169,839,700.00		
FY: 07	\$84,919,850.00		
Total	\$829,121,057.57	\$0.00	

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OFFICE OF
MANAGEMENT SERVICES

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration

Date:

Each of the request items below indicates specific information that must be individually detailed or addressed as required. A REQUEST CAN NOT BE CONSIDERED IF INFORMATION PROVIDED IS INCOMPLETE, NON-RESPONSIVE, OR DOES NOT CLEARLY ADDRESS EACH OF THE REQUIREMENTS INDIVIDUALLY AS REQUIRED.

RFS #	31B.66-029		
STATE AGENCY NAME	Department of Finance and Administration, Bureau of TennCare		
SERVICE CAPTION	Managed Care Organization Services/Medically Necessary Health Care Services to the TennCare/Medicaid Population		
CONTRACT #	FA-02-14860-00	PROPOSED AMENDMENT #	7
CONTRACTOR	John Deere (formerly Heritage National Health Plan of TN)		
CONTRACT START DATE	July 1, 2001		
CURRENT, LATEST POSSIBLE END DATE: (including ALL options to extend)	12/31/2006		
CURRENT MAXIMUM LIABILITY	\$829,121,057.57		
LATEST POSSIBLE END DATE WITH PROPOSED AMENDMENT: (including ALL options to extend)	12/31/2006		
TOTAL MAXIMUM COST WITH PROPOSED AMENDMENT: (including ALL options to extend)	\$829,121,057.57		
APPROVAL CRITERIA: (select one)	<input checked="" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state <input type="checkbox"/> only one uniquely qualified service provider able to provide the service		
ADDITIONAL REQUIRED REQUEST DETAILS BELOW (address each item immediately following the requirement text)			
(1) description of the proposed additional service and amendment effects:			
Implements the TennCare Reform language as approved by CMS and the courts; Requires NCQA accreditation; strengthens conflict of interest disclosure requirements; strengthens MCO financial requirements; lowers the administrative fee to mirror TennCare Select; as well as various other housekeeping issues involving language clarifications.			

(2) explanation of need for the proposed amendment:

Due to TennCare changes recently approved by CMS and courts, it is necessary to amend the MCO contracts to conform to changes as well as providing needed amended financial requirements and language clarifications.

(3) name and address of the proposed contractor's principal owner(s):
(not required if proposed contractor is a state education institution)

408 North Cedar Bluff Road, Suite 400, Knoxville, TN 37923

(4) documentation of OIR endorsement of the Non-Competitive procurement request:
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(5) documentation of Department of Personnel endorsement of the Non-Competitive procurement request:
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(6) description of procuring agency efforts to identify reasonable, competitive, procurement alternatives rather than to use non-competitive negotiation:

This Contractor is currently providing a network of services for the TennCare Program. This is an amendment to current contract.

(7) justification of why the F&A Commissioner should approve a Non-Competitive Amendment:

The Bureau of TennCare is attempting to modify all of the MCO contracts to conform to recent changes in the Program. This amendment will allow continuation of services to the enrollees and further clarify their responsibilities, as well as modify financial administration requirements. TennCare would greatly appreciate the approval of this amendment by the Department of Finance and Administration.

AGENCY HEAD REQUEST SIGNATURE:

(must be signed by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR — signature by an authorized signatory will be accepted only in documented exigent circumstances)

SIGNATURE DATE:

6-15-06

CONTRACT SUMMARY SHEET

RFS Number	318.66-029	Contract Number	FA-02-14860-07
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor		Contract Identification Number	

JOHN DEERE (formerly Heritage National Health Plan of TN)

☐ V-
☐ C-

Service Description

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	Contract End Date
7/1/2001	12/31/2006

Attachment Code	Cost Center	Obj Code	Fund	Grant	Grant Code	Subgrant Code
318.66	414	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$	127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$	137,049,700.00
2004	\$ 49,908,299.02	\$ 90,540,889.55			\$	140,449,188.57
2005	\$ 62,904,600.00	\$ 106,935,100.00			\$	169,839,700.00
2006	\$ 62,904,600.00	\$ 106,935,100.00			\$	169,839,700.00
2007	\$ 29,970,350.00	\$ 54,949,500.00			\$	84,919,850.00
Total	\$ 302,215,149.02	\$ 526,905,908.55			\$	829,121,057.57

CPDA	93.778 Title XIX Dept. of Health and Human Services	Check the box ONLY if the answer is YES
State Fiscal Contract		Is this contract a SUBRECIPIENT? (per OMB A-133)
Name: Scott Pierce Address: 729 Church Street Nashville, TN Phone: (615)532-1362		Is this Contractor a Vendor? (per OMB A-133)
Procuring Agency/Budget Officer Approval Signature		Is the Fiscal Year Funding STRICTLY LIMITED?
Scott Pierce		Is the Contractor on STARS?
		Is the Contractor's FORM W-9 ATTACHED?
		Is the Contractor's Form W-9 Filed with Accountant?

COMPLETE FOR ALL AMENDMENTS ONLY			Funding Certification	
	Base Contract Price	This Amendment ONLY	Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.	
END DATE	12/31/2006			
FY: 02	\$127,022,919.00			
FY: 03	\$137,049,700.00			
FY: 04	\$140,449,188.57			
FY: 05	\$169,839,700.00			
FY: 06	\$169,839,700.00			
FY: 07	\$84,919,850.00			
Total	\$829,121,057.57	\$0.00		

318.66-029

Department of Finance and Administration

FA-02-14860-08

Bureau of TennCare

JOHN DEERE (formerly Heritage National Health Plan of TN).

☐ V-
☐ C-

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

7/1/2001

12/31/2006

318.66	414	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 48,137,900.00	\$ 80,885,019.00			\$	127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$	137,049,700.00
2004	\$ 49,908,299.02	\$ 90,540,889.55			\$	140,449,188.57
2005	\$ 52,904,800.00	\$ 106,835,100.00			\$	159,739,900.00
2006	\$ 52,904,800.00	\$ 106,835,100.00			\$	159,739,900.00
2007	\$ 29,670,350.00	\$ 54,949,500.00			\$	84,619,850.00
	\$ 302,215,149.02	\$ 528,905,908.55			\$	829,121,057.57
	93.778					

Name: Scott Pierce
 Address: 729 Church Street
 Phone: Nashville, TN
 (615)532-1382

Scott Pierce



Pursuant to T.C.A., Section 9-6-113, I, M. D. Gostz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

	12/31/2005	12/31/2006
FY: 02	\$127,022,919.00	
FY: 03	\$137,049,700.00	
FY: 04	\$140,449,188.57	
FY: 05	\$140,449,188.57	\$29,390,511.43
FY: 06	\$70,224,594.28	\$99,616,105.72
FY: 07		\$84,919,850.00
	\$815,195,590.42	\$213,925,467.15

CONTRACT SUMMARY SHEET									
RPS Number: 318.66-029				Contract Number: FA-02-14860-05					
State/Agency: Department of Finance and Administration				Division: Bureau of TennCare					
Contractor: JOHN DEERE (formerly Heritage National Health Plan of TN)				Contract Identification Number:					
				<input type="checkbox"/> V- <input type="checkbox"/> C-					
Service Description: Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population									
Contract Begin Date: 7/1/2001				Contract End Date: 12/31/2005					
Allotment Code: 318.66		Cost Center: 414		Object Code: 134		Fund: 11		<input type="checkbox"/> STARS	
FY		State Funds		Federal Funds		Interdepartmental Funds		Total Contract Amount (including ALL amendments)	
2002		\$ 46,137,900.00		\$ 80,885,019.00				\$ 127,022,919.00	
2003		\$ 50,389,400.00		\$ 86,660,300.00				\$ 137,049,700.00	
2004		\$ 49,908,299.02		\$ 90,540,889.55				\$ 140,449,188.57	
2005		\$ 49,908,299.02		\$ 90,540,889.55				\$ 140,449,188.57	
2006		\$ 24,954,149.51		\$ 45,270,444.77				\$ 70,224,594.28	
Total		\$ 221,298,047.55		\$ 393,897,542.87				\$ 615,195,590.42	
CDAY		93.778						Check the box ONLY in the answers:	
Name: Dean Daniel				Is the Contractor SUPERIOR (per OMB A-133)?					
Address: 729 Church Street				Is the Contractor a Vendor (per OMB A-133)?					
Phone: Nashville, TN				Is the Contractor a Vendor (per OMB A-133)?					
(615) 532-1362				Is the Contractor a Vendor (per OMB A-133)?					
Procuring Agency Budget Officer Approval Signature:				Is the Contractor a Vendor (per OMB A-133)?					
Dean Daniel				Is the Contractor a Vendor (per OMB A-133)?					
6/22/04				Is the Contractor a Vendor (per OMB A-133)?					
COMPLETE FOR AMENDMENTS ONLY									
END DATE		12/31/2005		Amendments		Amendments		Amendments	
FY: 02									
FY: 03									
FY: 04									
FY: 05									
FY: 06									
Total		\$0.00		\$0.00		\$0.00		\$0.00	
Pursuant to T.C.A., Section 9-6-113, I, M. D. Gertz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.									

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OFFICE OF
MANAGEMENT SERVICES

CONTRACT SUMMARY SHEET

RES Number: 318.66-029		Contract Number: FA-02-14860-04	
State Agency: Department of Finance and Administration		Division: Bureau of TennCare	
Contractor: JOHN DEERE (formerly Heritage National Health Plan of TN)		Contract Identification Number:	
Service Description: Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population		<input type="checkbox"/> V- <input type="checkbox"/> C-	
Contract Begin Date: 7/1/2001		Contract End Date: 12/31/2005	
Amendment Code: 318.66	Cost Center: 414	Job Code: 134	Fund: 11
<input type="checkbox"/> STARS		Total Contract Amount (including ALL amendments)	
FY	State Funds	Federal Funds	Interdepartmental Funds
2002	\$ 46,137,900.00	\$ 80,885,019.00	
2003	\$ 50,389,400.00	\$ 86,660,300.00	
2004	\$ 49,908,299.02	\$ 90,540,889.55	
2005	\$ 49,908,299.02	\$ 90,540,889.55	
2006	\$ 24,954,149.51	\$ 45,270,444.77	
Total:	\$ 221,298,047.55	\$ 393,897,542.87	
CPDA#: 93.778		Contractor's Name on the answer sheet:	
Name: Dean Daniel Address: 729 Church Street Phone: Nashville, TN (615) 632-1362		Is the Contractor a SUBRECIPIENT (per OMB A-133)?	
Preparing Agency/Budget Officer Approval Signature: Dean Daniel		Is the Contractor a Vendor? (per OMB A-133)?	
Is the Contractor on STARS?		Is the Fiscal Year Funding STRICTLY LIMITED?	
Is the Contractor's Form W-9 Attached?		Is the Contractor's Form W-9 Filed with Accounts?	
COMPLETION OF ALL AMENDMENTS:		Funding Certification:	
END DATE: 12/31/2005	Amendment:	Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.	
FY: 02	Amendment: \$127,022,919.00		
FY: 03	Amendment: \$137,049,700.00		
FY: 04	Amendment: \$140,449,188.57		
FY: 05	Amendment: \$140,449,188.57		
FY: 06	Amendment: \$70,224,594.28		
Total:	Amendment: \$615,195,590.42		

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Office of Contracts Review

CONTRACT SUMMARY SHEET

Contract Number	318-66-029	Contract FA-02-14860-03
Agency	Department of Finance and Administration	Bureau of TennCare
Contract Description		Contract Period

OHN DEERE (formerly Heritage National Health Plan of TN)

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Period					12/31/2005
Contract Start Date	7/1/2001	Contract End Date			
Contract Amount	318.66	State Funds	414	Federal Funds	134
		Interdepartmental Funds	11	Other Funding	
		<input type="checkbox"/> STARS <input type="checkbox"/> C-			
		Total Contract Amount (including ALL amendments)			
FY	State Funds	Federal Funds			
2002	\$ 46,137,900.00	\$ 80,885,019.00	\$ 127,022,919.00		
2003	\$ 50,389,400.00	\$ 86,660,300.00	\$ 137,049,700.00		
2004	\$ 49,908,299.02	\$ 90,540,889.55	\$ 140,449,188.57		
2005	\$ 49,908,299.02	\$ 90,540,889.55	\$ 140,449,188.57		
2006	\$ 24,954,149.51	\$ 45,270,444.77	\$ 70,224,594.28		
	\$ 221,298,047.55	\$ 393,897,542.87	\$ 615,195,590.42		
	93.778				

Name: Dean Daniel
 Address: 729 Church Street
 Phone: Nashville, TN (615)532-1362

Dean Daniel *Dean Daniel 6/30/03*

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

	12/31/2005	
FY: 02	\$127,022,919.00	\$0.00
FY: 03	\$137,049,700.00	\$0.00
FY: 04	\$137,049,700.00	\$3,399,488.57
FY: 05	\$137,049,700.00	\$3,399,488.57
FY: 06	\$68,524,850.00	\$1,699,744.28
	\$606,696,869.00	\$8,498,721.42

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CONTRACT SUMMARY SHEET

RFS Number		Contract Number	FA-02-14860-02
State Agency	Department of Finance and Administration	Division	Bureau of TennCare

Contractor	Contract Identification Number
JOHN DEERE (formerly Heritage National Health Plan of TN)	<input type="checkbox"/> V- <input type="checkbox"/> C-

Service Description
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	Contract End Date
7/1/01	12/31/05

Attachment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	414	134	11	<input type="checkbox"/> STARS		

FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$ 127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2004	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2005	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2006	\$ 25,194,700.00	\$ 43,330,150.00			\$ 68,524,850.00
	\$222,500,800.00	\$ 384,196,069.00			\$ 606,696,869.00

CFDA #	93.778	Check the box ONLY if the answer is YES
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State Fiscal Contract	Is the Contractor a SUBRECIPIENT under OMB EA 133?
Name: Dean Daniel	Is the Contractor a Vendor (per OMB EA 133)?
Address: 729 Church Street	Is the Contractor a Vendor (per OMB EA 133)?
Phone: Nashville, TN	Is the Contractor a Vendor (per OMB EA 133)?
(615)532-1362	Is the Contractor a Vendor (per OMB EA 133)?

Procuring Agency/Budget Officer Approval Signature	Is the Contractor on STARS?
--	-----------------------------

Dean Daniel	Is the Contractor's FORM W-9 ATTACHED?
<i>Dean Daniel</i> 7/1/02	Is the Contractor's Form W-9 filled with Accounts?

COMPLETE FOR ALL AMENDMENTS (on a separate sheet)	Funding Certification
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	Base Contract & PRI#	This Amendment Only
AMENDMENT END DATE		
FY: 02		
FY: 03		
FY: 04		
FY: 05		
FY: 06		
Total	\$0.00	\$0.00

Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

CONTRACT SUMMARY SHEET

Contract Number		Contract Number	FA-02-14860-01
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor		Contract Identification Number	

JOHN DEERE (formerly Heritage National Health Plan of TN)

☐ V- ☐ C-

Service Description

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date

12/31/05

7/1/01

Allocation Code	318.66	Cost Center	414	Object Code	134	Fund	11	Grant	<input type="checkbox"/> STARS	Grant Code		Subgrant Code	
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FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$ 127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2004	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2005	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2006	\$ 25,194,700.00	\$ 43,330,150.00			\$ 68,524,850.00
Total	\$222,500,800.00	\$ 384,196,069.00			\$ 606,696,869.00

CPDA 93.778

State Fiscal Contract

Name: Dean Daniel

Address: 729 Church Street

Phone: Nashville, TN (615)532-1362

Procuring Agency Budget Officer Approval Signature

Dean Daniel

Dean Daniel 7/1/02

COMPLETE FOR ALL AMENDMENTS (ONLY)

Base Contract	Amendment	This Amendment
12/31/05		
FY: 02	\$127,022,919.00	\$0.00
FY: 03	\$127,022,919.00	\$10,026,781.00
FY: 04	\$127,022,919.00	\$10,026,781.00
FY: 05	\$127,022,919.00	\$10,026,781.00
FY: 06	\$63,511,459.50	\$5,013,390.50
Total	\$571,603,135.50	\$35,093,733.50

Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.